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attack on North Vietnam and for coexistence between North and South, attempting to portray himself in the middle between the "rigidity" of Thieu and the "softness" of Minh. He continues to travel extensively seeking political support.

3. Ky's basic problem remains finding suitable organized support. As a Northerner he may get part of the Northern refugee vote, and he can seek such organizational fragments as the Nhiem faction of the Hoa Hao (angered at Thieu over his support for the rival Tuong faction), but his general prospects for bloc support are poor. He can hope to exploit dissatisfaction in the Army and elsewhere with Thieu, and benefit from his own reputation as a man who "dares to say, dares to do." But his Northern background and his reputation for impulsiveness remain almost unsurmountable obstacles to his election. His candidacy at least can keep him in the limelight, possibly as an alternative to Minh or to Thieu (if either falters later) or as bargaining leverage on one of the other candidates.

4. The presidential election bill is now back in the Lower House for second round action where the Interior Committee appears to be delaying action, probably at President Thieu's behest. (Text of bill as it now stands was submitted with ref. b.) If President Thieu believes that a Ky candidacy might cost him too many votes, he retains the option for a while of attempting to have the nomination requirement put back in the bill, either in the Lower House or by use of the Presidential amending power.

Minh

5. General Minh's position has changed little except that he again appears firmer in his intention to run. He continues to organize privately, and has now a staff of old cronies, young Southern oppositionists, and An Quang lay leaders working with him. But he has not travelled at all nor sought to organize support in the provinces. He has had little to say in public despite persistent efforts by resident and visiting correspondents to obtain a publishable interview. He did, however, speak out to assert that he did not favor coalition with the Viet Cong. He sought thereby to counter the impression that he is soft on Communism.

6. Minh has maintained that he may not run if he feels the elections will not be honest, and the possibility should not be ruled out that Minh may in the end give up his candidacy. The manner of his withdrawal -- whether he condemns Thieu for rigging or states he does not run to avoid jeopardizing national unity -- could have great effect on the election and the national mood.

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7. The presidential election law may be passed and signed as early as May, thus giving the signal for the formal announcement of candidacies. (Or, as noted above, if President Thieu wants to, he can stall the law and perhaps thereby hinder Minh's campaign activities.)

Thieu

8. President Thieu is still clearly the frontrunner, and there is a widespread assumption that he will run and win. He seems to retain the most important blocs of organized votes. These include particularly the major share of the religious and ethnic minorities. Most of the political parties also are likely to support Thieu out of self interest. Even the vigorous and talented Progressive Nationalist Movement, which could be of invaluable aid to a challenger, now seems inclined to support Thieu. Although grumbling about Thieu's alleged lack of leadership is heard in the military and civilian establishment of the country, as well as among the politicians, there are few signs yet of a shift towards support for Minh or Ky.

9. On the major issues of war-weariness, inflation, and corruption, some recent developments have gone against Thieu. Although the benefits of Lam Son 719 in preempting Communist attacks are widely appreciated, there has been a current of recriminations about the leadership of the operation and the heavy ARVN casualties. The Laotian operation accentuated fatigue over the war and led some to question Thieu's stand on peace through military defeat of the Communist attack. There is persistent popular disgruntlement over the government's economic policies, particularly in MR I and in the cities. Balancing this in large measure is the continuing prosperity of much of the countryside and appreciation for the land reform measures. The cases of the smuggling deputies, who were all administration supporters, also have been a source of embarrassment to the government and attracted renewed attention to high-level corruption.

Vice Presidential Candidates and the General Prospects

10. None of the three prospective candidates has yet indicated who will be his vice presidential running mate although all have expressed the desire to pick someone who would widen the appeal of the ticket. (On the other hand, there have been reports that Thieu wants Prime Minister Khiem as his running mate. A Southern Buddhist with few enemies, Khiem is compatible with Thieu and an able man. But he is cut out of the same cloth as Thieu and his military background and the reported corruption of close relatives would do little to enhance the political appeal of the ticket.)

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11. The idea of a joint ticket of Minh with Ky has intrigued many observers. It would unify the challenge to Thieu, and widen the appeal of Minh's ticket, particularly to Catholics. Ky may be tempted by the expectation he could dominate a Minh administration. Ky would be hard for An Quang and other Minh followers to swallow, however, and Minh himself undoubtedly has grave doubts about such an obstreperous partner. Still, political opportunism is often paramount in Vietnam, and a Minh-Ky ticket is considered a possibility. A three way race, with Ky drawing votes away from Thieu is thought to offer Minh the best chance, however.

12. Ky's colorful nature and outspokeness have already warmed up the campaign to the pleasure of the local and foreign press. The prospects for a divisive election are clearly increased by Ky's entry into the race. Minh and Ky, however, have a long distance to go. They will have to show organizational skill and evidence of being able to cut into the organized bloc votes now largely inclined to Thieu before they will be able to shake the common assumption that Thieu will win.

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